

**WASHINGTON D.C.** – House Oversight & Government Reform Committee Ranking Member Darrell Issa said a new Government Accountability Office (GAO) report on the Department of the Interior's failure to determine whether or not appropriate payments are being made to the federal government by energy companies who lease public lands for oil and gas extraction is a troubling sign that needed reforms at the Department of the Interior are not being put in place.

"This report confirms that the bureaucracy at the Interior Department continues to defeat efforts by both Democratic and Republican Administrations to hold it accountable and institute needed reforms," said Rep. Issa. "The Interior Department is still guilty of a breach of fiduciary duty to the American people. Lowering its own risk assessment for oil and gas programs that reduces needed oversight is clearly a step in the wrong direction. The Administration needs to take this situation seriously and work with Congress to ensure taxpayers receive fair payment for oil and gas taken from public lands."

MMS, an agency within the Department of the Interior, collects royalties representing approximately \$12 billion of revenue for the federal government, but mistakes by the agency over the last 15 years have cost taxpayers billions. Issa has introduced legislation that would make MMS an agency independent of the Department of the Interior.

**From *Highlights: What GAO Found:***

*"Interior's measurement regulations and policies do not provide reasonable assurance that oil and gas are accurately measured. Interior's varied approaches for developing and revising its measurement regulations are both ineffective and inefficient—Interior's onshore measurement regulations have not been updated in 20 years and do not address current measurement technologies."*

*“Further, despite years of critical reviews by GAO and others, Interior recently lowered its own estimation of the risks of the oil and gas program from medium to low, exempting it from more rigorous internal oversight.*

*“Interior’s efforts to provide its inspection staff with tools to obtain real-time gas production data directly from producers and the ability to electronically document production inspection results in the field have shown few results.”*

Click [here](#) for a copy of the GAO report, entitled, “Interior’s Oil and Gas Production Verification Efforts Do Not Provide Reasonable Assurance of Accurate Measurement of Production Volumes”

Click [here](#) for the Oversight and Government Reform Committee October Report on dereliction of fiduciary duty at the Interior Department and a copy of legislation introduced by Rep. Issa to make MMS an independent agency.

###